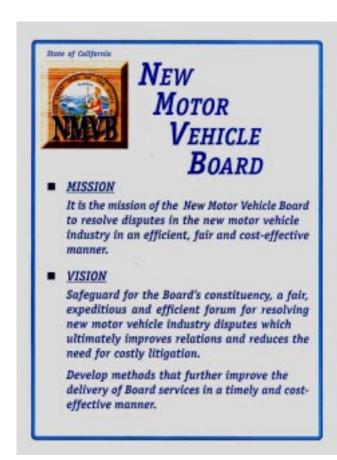
IN-SITE

A publication of the California New Motor Vehicle Board

April 2001

Edition 01:2



NMVB DEVELOPS MISSION STATEMENT

Virtually all State departments, boards, and commissions have developed organizational mission and vision statements for the purpose of identifying to the general public the specific responsibility and commitment of each department.

Whenever the need arose in the past, the Board simply used the mission statement adopted by the Department of Motor Vehicles. However, as time passed, it became clear that as an agency with independent decision-making authority, the Board's mission was not fully explained by nor contained in the Department's mission statement.

As a result, Board staff, in cooperation with the Business, Transportation and Housing Agency, developed mission and vision statements specifically for the Board. After Board review and fine-tuning, these were adopted at the March 6, 2001, General meeting.

Following adoption of the statements, the task was undertaken to put the statements into a format which could be displayed in our offices. As a result, tastefully framed versions are now posted in various locations throughout the office, including our lobby and hearing rooms.



Sam W. Jennings Retires

S am W. Jennings, Executive Secretary/Chief Administrative Law Judge of the New Motor Vehicle Board, has announced his retirement, effective April 10, 2001.

Mr. Jennings began his state career while attending McGeorge School of Law, serving as Assistant Executive Secretary of the State Board of Control. Upon graduation and admittance to the California State Bar in June 1972, he joined the Department of

General Services as Legal Counsel to the State Office of Procurement, and the Office of Electronic Data Processing Management and Control, in the Department of Finance.

In 1974, Mr. Jennings was appointed as Special Assistant to the Secretary for Legal Affairs, Agriculture and Services Agency. Then, in 1975, he assumed the position of Executive Secretary of the New Motor Vehicle Board, where he remained until his retirement.

Mr. Jennings dedicated his time and expertise to matters concerning all related aspects of the motor vehicle industry. One of the foremost memories among his many accomplishments for the Board was in 1978 in Washington, D.C., at the U.S. Supreme Court, where the Board successfully litigated the matter of New Motor Vehicle Board vs. Orrin W. Fox Company (1978) 439 U.S. 96. In that case, the Justices upheld the constitutionality of the Board's statutory scheme on due process grounds in an eight to one decision.

The Board and its staff extend their most sincere congratulations to Sam upon his retirement.

IN SITE



State of California
Gray Davis, Governor

California New Motor Vehicle Board 1507 21st Street, Suite 330 Sacramento, California 95814 (916) 445-2080

e-mail: nmvb@pacbell.net

Department of Motor Vehicles
Steven Gourley, Director

New Motor Vehicle Board

Members

Edward W. Bayuk Wendy Brogin Alan J. Skobin Solon C. Soteras Glenn E. Stevens David W. Wilson

Questions or comments: Michael Dingwell, Editor, nmvb@pacbell.net

Maria Contreras-Sweet, Secretary

Business, Transportation

and Housing Agency

Executive Director
Tom Novi

Staff Counsel Robin P. Parker, Esq. Michael Dingwell, Esq.

Officers Robert T. (Tom) Flesh, President Frederick E. (Fritz) Hitchcock, Vice-President



After earning a Bachelor of Arts Degree from California State University, Northridge, Mr. Skobin received his Juris Doctorate degree *cum laude* from the University of LaVerne Law School. He is a member of the Los Angeles County and San Fernando Valley Bar Association, as well as the American Bar Association. Mr. Skobin is also a member of the American Corporate Counsel Association.

The Board and staff take pleasure in extending a hearty "welcome back" to Mr. Skobin on his return to service on the Board.

Skobin Returns to Board

A lan J. Skobin, who previously served on the New Motor Vehicle Board from 1994 to 1997, has been appointed by Governor Gray Davis, filling the vacancy created when Dealer member Joseph Putnam's term expired. During his prior tenure, Mr. Skobin capably served as Board President and as a member of the Judicial Policy & Procedures Committee.

Mr. Skobin is Vice President and General Counsel, as well as a Director for Galpin Motors, Inc., in North Hills. He also holds similar positions with Galpin Jaguar, Galpin Lincoln Mercury, Galpin Mazda, and Saturn of the Valley. He has been part of the Galpin organization since 1977.

Mr. Skobin is a member of the board of directors of the Los Angeles County Sheriff's Youth Foundation and the board of trustees of the Hugh O'Brian Youth Leadership (HOBY). A brain tumor and cancer survivor himself, Mr. Skobin and his family are active with Padres Contra El Cancer, a nonprofit organization that improves the quality of life for children with cancer and their families.



REVENUE

Fiscal Year 2000-2001*

NEW MOTOR VEHICLE DEALER Annual Fee:

\$113,763.00

NEW MOTOR VEHICLE BOARD Filing fees:

18,400.00

NEW MOTOR VEHICLE BOARD

Manufacturer/Distributor Annual fee: 848,869.20

NEW MOTOR VEHICLE BOARD

Hearing Transcripts: 2,841.40

Arbitration Cert. Program Reimbursement 3,463.50

Total \$ 987,337.10

*July 1, 2000 thru February 28, 2001



Putnam Ends Board Term

Joseph D. Putnam, Dealer Member, has ended his term on the Board after serving since December 1997. During his tenure, Mr. Putnam chaired the Board's Internal Operations Oversight Committee and later the Fiscal Committee. In addition, Mr. Putnam was a member of the Board Development Committee where, along with Committee Chair, Solon Soteras, he was instrumental in the creation of Board member educational seminars.

Mr. Putnam is President of Putnam Automotive, and dealer principal of Putnam Buick Pontiac GMC, Putnam Lexus, Putnam Mazda, Putnam Toyota, and Putnam Volvo, all located in Burlingame. He was appointed to the Board by former Governor Pete Wilson.

The Board intends to honor Mr. Putnam at a future Board meeting for his outstanding service on behalf of the people of the State of California.





COURT CASES

The Board does not participate in any action unless a state interest is implicated. The Board, as represented by the Attorney General's Office, is participating in the following court cases marked by an asterisk (*):

*Saba A. Saba, SBD Partners, Inc. and Honda Kawasaki Sportcenter vs. New Motor Vehicle Board; Kawasaki Motor Corp., U.S.A., Real Party in Interest

* Sterling Truck Corporation vs. New Motor Vehicle Board; Sacramento Valley Ford Truck Sales, Inc., Real Party in Interest

NMVB Award Wall

he staff of the New Motor Vehicle Board is proud to feature its ever-growing "award wall," located in our offices. The wall currently displays several United California State Employees Campaign (UCSEC/United Way) awards, including one Bronze, one Silver and 3 Platinum awards signifying outstanding achievement in employee participation and per capita giving to the annual campaign. The Board also has earned a "Red Shoe Award," representing a contribution increase of 20% over the previous year's campaign, in each of the last three campaigns.

In addition to the UCSEC awards, the Employee Recognition Award plaque, commemorating outstanding Board employees, compliments the wall. The creation of the employee recognition program was championed by Board member Solon Soteras, Board Development Committee Chair.

Board Member Education Recap

A the July 18, 2000, General meeting, the Board adopted the recommendation of the Board Development Committee with respect to the creation of a structured program of ongoing educational presentations for Board members. Over the last nine months, the members have participated in a number of these presentations. The program is designed to provide in a less formal "Special Board Meeting" setting, information from a variety of sources concerning activities and trends in the new motor vehicle industry.

At the November 28, 2000, meeting, Alan C. Lloyd, Ph.D., Chairman of the California Air Resources Board, and DMV Director Steven Gourley, made presentations before the Board. Dr. Lloyd provided information concerning the variety of low emission vehicles currently available to consumers and the advances being made in emerging technologies, including fuel cell vehicles. Mr. Gourley addressed current issues in the Department's Investigative Services unit and provided an update on the Department's future goals.

In January 2001, Mark Miller, Senior Vice President, CarsDirect.com, was the featured speaker. Mr. Miller provided the members with information concerning the e-commerce business model for CarsDirect.com, the company's view of its relationship with new automobile dealers and manufacturers, and highlighted anticipated e-commerce trends for the future.

The March meeting speakers were Rick Vargas, Assistant Secretary for Rail and Transit, Business, Transportation & Housing Agency, and the Honorable Tom McClintock, California State Senate. Mr. Vargas discussed the complexity of the Board, its relationship with BT&H as well as its mission, vision, and policy issues. Senator McClintock discussed California's energy crisis and outlined steps he believes the motor vehicle industry should consider to help alleviate the problems.

In April, Board members took a 'behind-the-scene' tour of Dealer Member David Wilson's Desert Lexus facility. With presentations covering overall operations, F&I, and Parts & Service, attendees received a crash course on the 'ins and outs' of the operation of a modern, full-service, new and used car dealership. The Board sincerely appreciates the time and effort taken by Mr. Wilson, his partner and General Manager, Ren Rooney, and the rest of the staff at Desert Lexus in providing this glimpse into the day-to-day life of a dealership.

The program has been well received by Board members thus far. Educational presentations are scheduled in conjunction with General Board meetings. If you have questions concerning the program or if would like to receive information on future topics, please contact Board staff at (916) 445-2080 or via e-mail at nmvb@pacbell.net

UPCOMING

HEARINGS**

June 6, 2001 - PR-1753-01 Sunnyvale Volkswagen v. Volkswagen

June 18, 2001 - PR-1755-01 Monty's Chevrolet v. General Motors

July 9, 2001 - PR-1758-01 Kia Costa Mesa v. Kia

July 23, 2001 - PR-1752-00, P-437-01 McKenna Dodge v. DaimlerChrysler

July 30, 2001 - PR-1757-01 Steve Taub Porsche v. Porsche

**Dates are subject to change.

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UPCOMING BOARD MEETINGS

General Board Meeting June 12, 2001 Los Angeles*



General Board Meeting
September 6, 2001
San Jose*
General Board Meeting
November 8, 2001
Sacramento*

(*Board Meeting dates are subject to change. A meeting agenda with time and location details is mailed 10 days prior to the meeting.)



Global Outreach

Bert Boeckmann, owner of Galpin Ford in North Hills, California, a former Dealer member of the New Motor Vehicle Board, was one of six motor vehicle industry recipients of the "Heroes For The Planet" award, presented recently by Ford Motor Company. The award, received by Mr. Boeckmann at the National Automobile Dealers Association Annual Convention and Exposition held January 2001, in Las Vegas, recognizes individuals with vision and courage who make a difference in the world.

Mr. Boeckmann has personally organized and led humanitarian missions to Russia, Lebanon and West Africa. He has also worked with many needy organizations across America through the Boeckmann Charitable Foundation, established 15 years ago.

Mr. Boeckmann served on the Board from September 1979 to July 1983.

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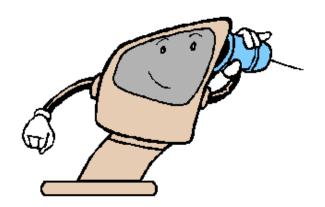
E-Mail Pilot Program

n April 1, 2001, the Board initiated a voluntary "pilot project" for the Public Mailing List ("PML"). The PML is the list of individuals and/or entities who have indicated a desire to receive copies of Board informational materials including meeting agendas, meeting minutes, decisions and regulatory information. The project will test the Board's ability to provide materials via e-mail versus standard U.S. Mail.

The project is scheduled to run for six months, with the volunteers receiving both e-mail and Postal Service copies of Board materials. During this time, the staff will evaluate the effectiveness of e-mail notification, in order to detect any difficulties, technical or otherwise, with the electronic receipt of the materials by the volunteer group.

If the project is successful, the Board plans to offer recipients of public mailing materials the option to receive the materials solely via e-mail. PML recipients who wish to continue receiving Board materials by mail will remain on the standard mailing list.

Providing such materials via electronic delivery is in keeping with the Board's goal of providing information and services to our constituency in the most timely and cost-effective manner available.



Database Update

ast year, the Board retained the services of an expert consultant, Jim Puthuff and Associates, to assist the staff in determining which database system would best maintain and support the Board's legal, consumer and administrative programs, and to provide related training. The current database, an obsolete version of Paradox, no longer met staff requirements. A contemporary database system that would meet our present and future needs was required.

It was recommended that the particular needs of each division of the Board's offices would be better served if we transitioned to the full complement of Microsoft Office products - Microsoft Word, Access and Excel. Access, which is compatible with other Microsoft software products such as Word and Excel, will become our database program. Access will be used in the Consumer Mediation Services Program, for the Board's annual fee collection, and in the creation of a new database for the legal division. The Access program will eventually provide the Board with one central database to house the many different documents and reports generated by staff. The Board will continue to use Excel for its spreadsheet functions and for document processing, we will be replacing WordPerfect with Microsoft Word.

Staff training is tailored for specific uses of the database program as it applies to our individual requirements and is scheduled to be completed by mid-May 2001.

NMVB Attends Consumer Fair

The California Department of Consumer Affairs (DCA) annually sponsors a "Consumer Assistance Day" to provide information to the public concerning services available from DCA's associated agencies. The event allows for person-to-person contact between agency personnel and members of the public. In addition, the fair provides an opportunity for the various agencies to distribute informational pamphlets and other materials which detail the particular services available to consumers.

This year the Board was invited to attend the fair held at the Florin Mall in Sacramento on February 9, 2001. Staff from the Board provided coverage throughout the all-day event. Consumers who visited our booth were able to speak personally with staff to address their new car questions and receive an informational pamphlet outlining consumer mediation services available via the Board. This was the first year the Board was involved in the fair and we look forward to participating in the future.



DOCKET

PROTESTS

Vehicle Code Section 3060	Active
Termination	10
Modification	18
3062	
Establishment	5
Relocation	2
Satellite Warranty Facility	0
3064 Delivery&Preparation	0
3065 Warranty Reimbursement	0
3065.1 Incentive Compensation	1
TOTAL PROTESTS: 36	
PETITIONS 3050(c) TOTAL PETITIONS: 8	8
APPEALS	
3050(b)	0

MATTERS RECENTLY RESOLVED

TOTAL APPEALS: 0

Since the last edition of *In-Site*, a total of 16 protests and one petition have been resolved and are not included in the above figures.



Do You Remember... April 1, 1970

In 1970, the American public wanted 'small and inexpensive' in a car design. At AMC, the Hornet was its economy king at the time, but it was too stylish to contend with the new line of cars from the big three, such as the Pinto and Vega. AMC took note of how Americans had flocked to the VW Beetle because of its unique styling. Thus the Gremlin was created as a cheap, economical and interesting looking car. People either loved it or hated it.

To add a further comic note to the car, it was introduced on April Fool's Day, 1970. By 1975, though, the design had become stale. AMC, instead of performing a "reskin" in 1975 or 1976, put their money into developing the Pacer Wagon. In 1977, a last effort in a redesign was attempted, but sales continued to slip, until finally the Gremlin floundered and entered extinction (except in the mind of loyal Gremlin enthusiasts) in 1978.

Why not visit us



on the web...

...at www.nmvb.ca.gov